

Private Construction Contractors Association of Slovakia

Monthly Report: June 1996

Prepared for
United States Agency for International Development
under subcontract to
The Urban Institute

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USAID East European Regional Housing Assistance Program (180-0034)
Contract No. EPE-0034-C-00-5110-00, RFS 702
June 1996

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0Internal Affairs

- Mr. Benedek has prepared all standard documents for leasing the new car for the PCCAS office in Bratislava. Up to now, the office has used the Seat Cordoba (made in Spain by the factory of the Volkswagen group). PCCAS will own it after three years of monthly payments. The car will mainly be used for regular personal contact with PCCAS members and associates.
- The new PCCAS staff member, Mrs. Bo_ena Nagyova, was hired as a full-time employee of the PCCAS office in Bratislava. She will play a dominant role in several PCCAS training, education, and seminar activities related to non-dues-oriented revenue generation. Ms. Nagyova has extensive experience in the areas of office management and secretarial services. She will work under the supervision of Mr. Vladimir Svr_ek.
- PCCAS staff member Ms. Henrieta Poláková and PCCAS board member Mr. Svr_ek visited the new FEUA property where PCCAS will relocate its Bratislava office to. There are five rooms, a conference room, a restaurant, and several other services. On the same property, there will be nine other FEUA trade associations and a FEUA headquarters. This move should be beneficial to PCCAS program development.
- PCCAS Executive Director Michal Mataš was nominated as a member of the Evaluation Tender Committee of the National Slovak Railway Health Institute. His nomination was related to his membership in the National Government Group of Experts for Public Procurement Tenders. The public procurement activity included purchasing the new nuclear absorption spectroscope to detect small amounts of heavy metals in drinking water, food, and other materials. The Executive Director recommended turning down this tender for legal reasons.
- The Executive Director, the PCCAS President, and three PCCAS board members made several visits to the K.N.O. s.r.o./PIET office in Bratislava to discuss the details of the USAID-sponsored PCCAS housing trip to the U.S. The K.N.O. prepared many documents and travel guidelines taking special note of PCCAS requests and needs. The trip for the Executive Director was mainly organized by PADCO, Inc. and coordinated with PIET for the other PCCAS board members. The Executive Director is partly responsible for interpretation of the discussion. Ms. Tren_iaska from K.N.O. s.r.o. and the Executive Director visited the U.S. Embassy in Bratislava to accelerate the issuance of a B-1 U.S. Visa for the Executive Director.
- The Executive Director and Ms. Henrieta Poláková participated in the business meeting with APS-HOLDING a.s. company in Bratislava to implement use of INTERNET and related software and hardware in PCCAS offices. Demonstrations of

INTERNET services were shown and plans were made to have APS-HOLDING train PCCAS staff in its uses.

- The Executive Director and PCCAS board member Vladimir Svr_ek met with Mr. Otakar Závodsk_ and discussed PCCAS services in QM system implementation and certification under the standard ISO 9000.
- The Executive Director met twice with Ms. Annie Nicoll of the British Council to discuss the details of her participation in the PCCAS English language training programs for construction site managers as part of PCCAS's non-dues-oriented revenue programs as developed by board member Vladimir Svr_ek.

1Information Exchange

- The May 1996 Monthly Report was completed and delivered to Mr. George A. Williams at USAID, sent to PADCO via UPS, and faxed to Steven Winter Associates.
- Those PCCAS representatives (i.e., members, board members, associates, and staff) who are part of the National Government Group of Experts for Public Procurement Tender continue to advise the Ministry of Construction and Public Works on procurement matters.
- The PCCAS staff met Mr. George Williams and informed him about PCCAS attending the FEUA Permanent Council regular weekly meetings and about several details relating to PCCAS non-dues-oriented revenue activities, mainly about the seminars organized on the basis of Act No. 136/95 (Government Construction Certification) and about the construction cost estimation for the bidding process. The details of the cooperation with the Eastern European Real Property Foundation and the summer PCCAS Housing Study Tour to the U.S. were discussed.
- PCCAS staff met with Mr. George Williams and provided him with a copy of the July issue of the construction journal *Staviteľstvo*, which contained an article written by the Executive Director about the housing policy of PCCAS.

2Membership Activities

- Mr. Milam M_ahon_ak resigned from the board of PCCAS and pulled his company out of the organization. The main reason for this decision was differences with PCCAS President He_ko on the management of PCCAS board meetings. The Executive Director has asked PCCAS board member Viliam Valovic and Deputy Director Benedek to meet with Mr. M_ahon_ak personally regarding this issue.
- Seven new companies joined the PCCAS. They are:

135. Geocomplex a.s.

RNDR. Adrián Paná_ek
Geologická 21
822 07 Bratislava

136. Kappa 1 s.r.o.

Ing. Dušan Prcúch
Pestovateľ'ská 2
823 66 Bratislava

tel: 07/243500, 243862
fax: 07/243428
number of employees: 57

tel: 07/522284
number of employees: 3

137. Hydrosaning s.r.o.

Ing. Marián Krík
Hornoulická 37
972 01 Bojnic
tel/fax.: 0862/34862, 36671
number of employees: 50

138. Aquapol Slovakia

Ing. Robert Petriska
Tenisová 12
971 01 Prievidza
tel/fax: 0862/38498
number for employees: 1

139. Hydrostaf a.s.

Ing. Stanislav Kliká_
820 06 Bratislava
tel: 07/205511
fax: 07/5662820
number of employees: 6368

140. Spravbyt a.s.

Ing. arch. Viliam Valovi_
Volgogradská 88
080 98 Prešov
tel: 091/712362
fax: 091/718740

141. Sibamac a.s.

Ing. Otakar Závodský
Stará Vajnorská 25
831 04 Bratislava
tel: 07/257158
fax: 07/257387
number of employees: 1030

3Staff Support for PCCAS Entrepreneurs

- PCCAS staff, PCCAS board member Svr_ek, and Ms. Maria Machalíková of the UNI s.r.o. company took part in the meeting with the representatives of the consulting company TŮF Bayern. This was to establish conditions for cooperation between PCCAS and TŮF Bayern as a part of PCCAS's program for checking construction quality. TŮF Bayern is certified both in the EU and Slovakia. At the meeting, it was established that TŮF Bayern would organize the "EU external audit" of construction firms. PCCAS will prepare the QM standard documents and train the construction firm staffs in following the EU standards 9000 and in implementing QM. TŮF Bayern is also cooperating with a representative of the Slovak Technical University, Faculty of Civil Engineering, Mr. Gašparík, who is also a local consultant and training expert for QM.
- The Executive Director and PCCAS staff member Ms. Poláková met with Mr. Brod_an from the Slovak National Technical Standards Institute. The topic of discussion was the introduction and acceptance of EU Eurocodes into Slovak standards.
- Mr. Vladimír Svr_ek as well as PCCAS staff members met with Mr. Gašparík from the Civil Engineering Department of the STU. PCCAS received all of his standard

training and educational study materials. The PCCAS board recommended that Mr. Gašparík train the staffs of PCCAS member companies.

- PCCAS staff visited with Mr. Ernst Enderle, General Director of the Austrian company Busch (which specializes in vacuum pumps and systems) to discuss the construction tender for a production extension. This was related to PCCAS's supplying bidding services for the PCCAS member company Stavoiimpex. Unfortunately, there are very few construction business opportunities in Austria for Slovak firms due to a high level of unemployment in this industry in Austria. So, the tender was not evaluated at this time.
- PCCAS representatives visited the QM and Education and Training Consultant Company WERT IMPULSE.

4Legislative Activities

- The Executive Director, Mr. Mataš, met with Mr. Hol_ák, Executive Director of DOPRASTAV a.s. (an incorporated road construction company) and asked for his comments on construction cost estimation and management for construction under the "Concession Act" (where public property is built with private funding and used by a private company under specific license with profits controlled by the state). Mr. Hol_ák identified several weaknesses in the documents and made several recommendations. According to Hol_ák, the state proposals seem to be utterly impractical.
- Mr. Hol_ák then went on to represent PCCAS at two government-organized meetings to address construction cost standard documents, regulations, and sub-law under the Concession Act.
- PCCAS Executive Director Mataš, acting as legislative advisor to a trade association of Slovak wholesalers and distributors (AVODIS), attended a meeting on the Concession Act on product sales conditions in the Slovak market. The new act protects the consumer and informs him of his rights. The Act is also in accordance with European Union legislative frameworks.

5Cooperation with Association and Groups

- The PCCAS staff met with Mr. Viliam Garay, the representative of the Federation of Entrepreneurs Association and Unions of Slovakia (FEUA). The topic of discussion was the nomination of a PCCAS board member as an FEUA representative to the Board of the Housing Development State Fund. A proposed nominee had been Mr. Slávik, a representative of ACES. His nomination ignored the FEUA bylaws. Mr. Mataš wrote a letter of protest to the FEUA Chairman, Mr. František Bruckmayer.
- PCCAS board representatives participated in a three-party meeting involving the Ministry of Construction and Public Works representing the government, the STAVRA union representing employees, and PCCAS and ACES representing employers in the Slovak construction industry. The topic was the evaluation of the privatization activity

during the first two quarters of 1996, as well as housing development programs, housing services, and shopping center construction near residential areas.

- PCCAS Executive Director Mataš was nominated by the Minister of Construction and Public Works to the National Slovak Group of General Experts for Education in Construction. This body will supervise development of education in the area of construction outside of what occurs at the universities.
- The PCCAS staff and PCCAS board member Vladimír Světek met with Mr. Ján Dlouhý, the General Director of the State Labor Office in Bratislava. They discussed cooperation on requalification courses for employees in the Bratislava region. The Public Procurement Tender on this activity will be organized. This activity is also considered a source of non-dues-oriented revenue.
- PCCAS staff participated in the monthly British Embassy Business Friends Meeting. There they met Mr. Stryček, the representative of the U.S. risk capital fund "Tyn Group Funds." They discussed U.S. investment in the Slovak Republic. PCCAS staff also met Ms. Annie Nicoll. With her they discussed problems in English language education and training courses for professionals.
- PCCAS Executive Director Mataš visited ACES President Mr. František Slávik and informally discussed the nomination of the FEUA representative to the Housing Development State Fund. Slávik disagreed with nominating a PCCAS board member and he explained that the nomination was officially closed. This was not true. Mr. Mataš informed him about his protest letter to FEUA chairman Mr. František Bruckmayer. The participation of a PCCAS representative in the Fund is essential for PCCAS to be informed about state investments, loans, and subsidies to the housing sector, i.e., to remain well-informed about business opportunities.

6 International Activities

- The PCCAS staff met with the Eastern Europe Real Property Foundation representative Mr. Allan Decker to discuss details of U.S. support for the PCCAS education programs. At that time, PCCAS had translated 50 percent of the EERPF Training Manual, but Mr. Decker informed the PCCAS staff that these materials had already been translated to Slovak. Ms. Henrieta Poláková is responsible for finishing it using the translated form. A meeting at the EERPF headquarters in Washington during the PCCAS Housing Study Tour was planned. Ms. Poláková met Mr. Decker later and showed him financial information on existing PCCAS education and training programs.
- The PCCAS representative in the Foreign License Committee for Construction Capacity Export informed PCCAS members about the increase in Slovak labor allowed under construction contracts in Germany.
- The PCCAS office in Bratislava was asked to provide assistance to the USAID program for housing development at four sites in the Slovak Republic. There proved to be fewer participants in the bidding process than had been planned. The PCCAS staff analyzed the situation and concluded that the program was both timely and useful, but

that the sites were not well selected. Because of the new approach to bidding, the potential bidders would have benefitted from additional preparation before the actual bidders conference. The “developer agreement” also did not follow common Slovak legislative practices. However, the PCCAS representatives will probably follow this program as of Fall 1996 because they feel that it is an improvement over standard practices. PCCAS also made recommendations to the USAID representatives on how to select more suitable construction partners for this type of program.

- PCCAS representatives Mataš and Poláková were invited to the working lunch hosted by Mr. George A. Williams from USAID/Bratislava. Also attending the lunch were representatives of many other Slovak real estate-oriented groups (including ARKS, Association of Slovak Appraisers, and the Slovak Housing Institute), as well as the representatives of Lambda Alfa International, Mr. W. Winus and Ms. N. Pepys. The main goal of the meeting was to evaluate the possibility of establishing a local chapter of Lambda Alfa or a related organization (e.g., Slovenská Realitná Liga). It was the second meeting organized by Mr. Williams dealing with real estate industry development in Slovakia.
- Mr. Mataš and PCCAS Vice President Mr. Oliver _asnocha participated in two days of meetings with the OECD in Paris. The goal of the meeting was to conduct statistical evaluations of construction costing methods in both EU countries and EU-associated countries (which includes Slovakia). Seven models were evaluated.
- During June 19-20, 1996, PCCAS representatives attended a meeting of representatives from the Ministry of Construction and Public Works, the World Bank, and the International Trade Center in Geneva. Together, they discussed the choosing of a local consultant to take part in the Institutional World Bank Grant for the preparation of Standard Bidding Documents for Public Procurement Tenders. PCCAS suggested board member Vladimír Svrtek. USAID is also providing support to the Ministry in implementing the World Bank grant.

7Public Relations and Marketing

PCCAS was part of the organizing committee for the competition “Construction of the Year 1996” (Stavka roka 1996). The PCCAS board decided on a prize for “High Quality of Historical Building Renovation.” The independent committee gave this prize to a PCCAS member-company, AGROSTAV a.s. Senica. The celebration was organized during the trade show in _ilina (Expostavmat & Sympomech). Slovak government representatives, including Mr. Ján Mráz, the Minister of Construction and Public Works, also participated.

8Money-Making Activities

- PCCAS board member Vladimir Svr_ek prepared the set of PCCAS Education and Training Programs and began organizing regular weekly meetings for Monday afternoons. Part of the strategy is to print PCCAS catalogues and mail them to potential customers.
- During June 25-26, 1996, PCCAS organized a seminar on licensing and certification for construction contractors and civil engineers (related to Act No. 136/95). There were 40 participants. The program was organized by Ms. Poláková and Mr. Svr_ek. However, due to increased activity in the construction companies, it was decided to take a six-week break in the seminars.

9Regional Offices Activities

PCCAS President Lubomir He_ko and Executive Director Mataš visited the PCCAS regional chapter in Prievidza for the purpose of hiring Mrs. Daniela Melišková. She was replacing Mrs. Adriana Mikulova. They also met with the Prievidza mayor, Mr. Ivan Va_o, and PCCAS member Mr. Dáni. The meeting was focused on the Public Procurement Tender evaluation, the tender related to new housing construction in the city under the financial support of the Housing Development State Fund.

10Technical Assistance Program

The PCCAS staff and several PCCAS board members prepared the request and details for the Housing Study Tour. One of the main goals was to bring back printed materials about new construction technologies, new construction materials and products, home design, etc. There were also specific requests for videotape presentations related to the housing industry and for energy saving in residential buildings.

11Housing Information Clearinghouse

See above.

12Housing Policy Program

Executive Director Mataš was invited by the British Ambassador to take part in the celebration of British Queen Elizabeth II birthday. There he met Mr. Peter Weis, a member of the Slovak National Council and Chairman of the Senator Club. The Executive Director requested his assistance with the PCCAS Housing Policy and Housing Advocacy programs.

13Housing Advocacy Program

No specific activity on June 1996.

14Expenses and Salaries

Travel	\$	277.49
Communications	\$	266.52
Printing/Production	\$	122.63
Facilities rental	\$	752.29
Postage/Supplies	\$	164.38
Consultant services	\$	885.95
Per diem	\$	82.00
Outside membership	\$	2,359.20
Total	\$	4,911.38

APPENDIX